

Date: January 10, 2005

To: Chairman Randolph and Commissioners Blair, Downey, Karlan and Knox

From: Mark Krausse, Executive Director

This is a summary of administrative activity and other matters since the report sent to you prior to the last Commission meeting.

A. PERSONNEL & BUDGET

Following a promotional exam, Political Reform Consultants Adrienne Korchmaros and Trish Mayer have been promoted to PRC II in recognition of their broad knowledge of the PRA and their substantial contributions to the Technical Assistance Division's mission.

Sukhdip ("Sukhi") Brar is a new intern serving in the Legal Division for the next semester. Sukhi is in her second-year at McGeorge School of Law, and holds a bachelors degree in psychology from the UC Berkeley.

Enforcement Division Counsels Lizz Conti and Jeff Sly are leaving for positions with the Department of Corrections. Both have done yeoman's work on streamlined programs and other enforcement cases. We wish them luck in their new roles at Corrections.

Several members of the Commission and its staff attended and participated in the annual meeting of the Conference on Governmental Ethics Laws (COGEL) in San Francisco in early December. Chairman Randolph moderated a panel on pre-election enforcement, Chief Steven Russo was a panelist on an enforcement roundtable discussion, and former Chairman Getman moderated a discussion of tribal sovereignty in which Commissioner Knox served as a panelist. Finally, Publications Editor Jon Matthews moderated an excellent panel on media issues that gave ethics officials the chance to ask probing questions of reporters for once. The four-day conference was very well attended and worthwhile, and gave us an opportunity to talk with our state and local counterparts throughout the nation and in other countries.

The Governor's Budget has been released, and includes a \$95,000 reduction for the Commission for the 2005-06 fiscal year. The Chairman has already written a letter to the Director of the Department of Finance requesting that this cut be reversed, as it will mean a further reduction in service levels following last year's \$500,000 reduction. No employee layoffs are expected, as we believe the reduction can be achieved through staff attrition.

B. STAFF PROJECTS

The Technical Assistance Division's PRC Cynthia Jones conducted a campaign seminar in Napa, and PRC II Kevin Braaten-Moen conducted one in Pasadena. TAD is also at work producing the 2005 version of the Political Reform Act.

The Public Education Unit is currently at work compiling data for the Annual Report edition of the *Bulletin*, and has updated the version of the Form 700 on our website that is compatible with readers for the vision-impaired.

C. APPROVAL OF CONFLICT OF INTEREST CODES/AMENDMENTS

Since the last Commission meeting, I have approved the following codes/amendments:

Managed Health Care, California Department of
Truckee Sanitary District

D. FINDINGS OF PROBABLE CAUSE

Pursuant to regulation 18361, I have found evidence in the following cases sufficient to lead a person of ordinary caution and prudence to believe or entertain a strong suspicion that the following respondents committed or caused a violation of the Political Reform Act. **This finding of probable cause does not constitute a finding that a violation has actually occurred. The respondents are presumed to be innocent of any violation of the Act unless a violation is proved in a subsequent proceeding.**

Steven Caster, FPPC No. 03/306. On December 30, 2004, probable cause was found to believe that Respondent, a designated employee of the City of Folsom, failed to timely file a 2002 annual statement of economic interests, in violation of section 87300 of the Government Code (1 Count).

Bob Flack, FPPC No. 03/543. On December 30, 2004, probable cause was found to believe that Respondent, a member of the California Avocado Commission, failed to timely file a 2002 and 2003 annual statement of economic interests, in violation of section 87300 of the Government Code (2 Counts).

E. REQUESTS FOR EXTENSION OF COMMITTEE TERMINATION

Governor Gray Davis Committee. A request for extension was approved, for 90 days, in order to wrap-up its affairs pending the completion of a routine audit.

Friends of Pedro Nava. A request to re-open the committee was approved, until January 31, 2005, in order to allow the candidate to transfer funds to retire debt following a computer error.